

WOODEN SWITCH BOARDS

1. INTRODUCTION

Switch Board is used for electric wiring. Wood is generally used for manufacturing of these boards. It has almost become consumer item in residential and commercial sectors.

2. MARKET

Switch boards are essential for electrification in construction activity. There is considerable increase in urban & rural housing. The market prospects are growing in all important centres.

3. MANUFACTURING PROCESS

Wood with required sizes is cut and assembled into board. Decolam sheet on the front side. The product is tested for connections and is put for insulation test.

4. PRODUCTION CAPACITY PER ANNUM

Capacity 1200 Nos.
Selling Price Rs. 240 Nos.

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	3000
2	Fixed Capital	50000
3	Working Capital for 1 month(s)	21000
	Total Project Cost	74000

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	11100
2	Subsidy	20%	14800
3	Term Loan	65%	48100
	Total		74000

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings

Rented

1000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Wood Planning & Cutting M/c	LS	0	50000
2	Design cutting m/c		0	0
3	Drilling m/c		0	0
4	Wolf portable drilling m/c			0
5	Hand tools			0
6				0
7				0
				0
				0
	Total			50000

B. WORKING CAPITAL

i. Salaries & Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	3500	3500
2	Skilled Workers	1	2500	2500
3	Unskilled Workers	1	2000	2000
4		0		0
5		0	0	0
	Total			8000

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Plywood, Teak Wood etc.		1	8500	8500
2	Packing Materials				1000
3					
			0	0	0
			0	0	0
			0	0	0
	Total				9500

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	1000
2	Water	LS	500
	Total		1500

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	0
2	Transportation Expenses	500
3	Advertisement Expenses	0
4	Consumable Stores	0
5	Miscellaneous Expenses	500
	Total	1000

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1000
2	Salaries and Wages	8000
3	Raw Material	9500
4	Utilities	1500
5	Other Expenses	1000
	Total	21000

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	252000
2	Depreciation @ 15%	7500
3	Interest @ 12%	5772
	Total	265272

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Wooden Switch Boards	Nos.	1200	240	288000
					288000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	7500
2	Interest	5772
3	Rent	12000
4	Salaries & Wages @ 40%	38400
5	Other Expenses incl. Utilities @ 40%	12000
	Total	75672

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	22728
2	Percentage of Profit on Sales		8%
3	Return on Investment		31%
4	Break Even Point		77%